

**OFFICE OF THE MISSISSIPPI SECRETARY OF STATE
BUSINESS REGULATION AND ENFORCEMENT DIVISION**

IN THE MATTER OF :

CHILDREN'S CHARITABLE FOUNDATION

PMB 103

4786 Dressker RD NW

Canton, Ohio 44718

Respondent

) **Administrative**
) **Proceeding**
) **Number: C-04-0037**
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**SUMMARY CEASE AND DESIST ORDER AND NOTICE OF INTENT TO
DENY REGISTRATION AND IMPOSE ADMINISTRATIVE PENALTY**

The SECRETARY OF STATE OF MISSISSIPPI, by and through the undersigned designated representative, hereby issues this summary cease and desist order against CHILDREN'S CHARITABLE FOUNDATION (hereinafter "CCF"), and further gives notice of his intent to deny the registration and impose administrative penalty and in support hereof, states the following.

I. JURISDICTION

The Secretary of State is vested with the regulation of charitable organizations that solicit donations in the State of Mississippi pursuant to Miss. Code Ann. §79-11-501, *et seq.* (Rev. 2001). CCF is a charitable organization as defined by Miss. Code Ann. §79-11-501(a)(i) (Rev. 2001), to-wit:

(B) Any person actually or purporting to be established for any voluntary health and welfare, benevolent, philanthropic, patriotic, educational, humane, scientific, public health, environmental conservation, civic, or other eleemosynary purpose or for the benefit of law enforcement personnel, fire fighters, or other public safety organizations, or any person employing in any manner a charitable appeal as the basis of any solicitation or an appeal that suggests that there is a charitable purpose to any solicitation and includes each local, county or area division within this state of such charitable organization, provided such local, county or area division has authority and discretion to disburse funds or property otherwise than by transfer to any parent organization.

CCF is a charitable organization as defined by the Act, and therefore subject to the Secretary of State's regulatory authority. The Secretary of State, therefore, finds that he has jurisdiction over the subject matter and the parties herein.

II. FINDINGS OF FACT

1. On December 19, 2003, the Secretary of State's Office, Business Regulation and Enforcement Division ("Division") received documentation that CCF was soliciting donations from the public and indicating that it was registered with the Division.

2. After a diligent search, it was determined that CCF was not registered with the Division.

3. On February 24, 2004, the Division wrote CCF a letter informing the organization that it was not registered, and that registration was required prior to any solicitation of donations in the State of Mississippi. A registration package was mailed to the organization requesting registration within thirty (30) days, and it was told to destroy any documentation stating that CCF was registered in Mississippi.

4. Currently, CCF is still not registered with the Division.

III. CONCLUSIONS OF LAW

5. According to Miss. Code Ann. §79-11-503(1) (Rev. 2001), every charitable organization, which solicits or intends to solicit contributions shall file a registration statement with and pay a filing fee of Fifty Dollars (\$50.00) to the Secretary of State. Since CCF is distributing documentation stating that it is soliciting contributions in the State of Mississippi, without being registered, it is therefore in violation of this provision.

6. Pursuant to Miss. Code Ann. §79-11-509(1) (e) (Rev. 2001), the Secretary of State shall suspend, revoke, or deny a registration if the applicant or registrant has violated or failed to comply with any provisions of this chapter or any rule or order thereunder. Since the Division has received documentation that CCF is distributing documentation stating that it is soliciting contributions in the State of Mississippi without being registered as required by the law, the Secretary of State must deny the organization's registration.

7. Since CCF is soliciting contributions without being registered, it is, therefore, subject to the provisions of §79-11-509 (Rev. 2001) to include the issuance of a cease and desist order with or without a prior hearing and revocation, denial, or suspension of registration.

IV. SUMMARY CEASE AND DESIST

As provided in Miss. Code Ann. §79-11-509(4) (Rev. 2001), the Secretary of State hereby summarily orders CCF to immediately **CEASE AND DESIST** soliciting charitable contributions in and from the State of Mississippi as defined by Miss. Code Ann. §79-11-501 (Rev. 2001). This order shall remain in effect until further order of the Secretary of State.

V. NOTICE OF INTENDED ACTION

Please note that the Secretary of State intends to take the following additional action:

1. Deny CCF's registration according to Miss. Code Ann. §79-11-509(1) (Rev. 2001).
2. Impose an administrative penalty of up to \$25,000.00 for each violation of Miss. Code Ann. §79-11-501 (Rev. 2001) through §79-11-529 (Rev. 2001).
3. The imposition of an administrative penalty shall become effective thirty (30) days after receipt of this Notice unless a request for an administrative hearing is received by the Secretary of State before the expiration of said thirty (30) days.

VI. RIGHT TO ADMINISTRATIVE HEARING

An administrative hearing may be requested in this matter. Any such request shall be made in writing to the Secretary of State within thirty (30) days from the date of receipt of this Order.

If an administrative hearing is requested, written notice of the date, time, and place, will be given to all parties by certified mail, return receipt requested. Said notice will also designate a Hearing Officer.

VII. PUBLIC INTEREST

The actions taken and proposed to be taken herein by the Secretary of State are in the public interest and are consistent with the purposes set out in Miss. Code. Ann. §79-11-501, *et seq.* (Rev. 2001).


VIII. RIGHT TO AMEND

The Secretary of State hereby reserves the right to amend this Summary Cease and Desist Order and Notice of Intent to Deny Registration and Impose Administrative Penalty.

SO ISSUED, this the 17th day of May, 2004.

ERIC CLARK
Secretary of State
State of Mississippi

BY:


JAMES O. NELSON, II
Assistant Secretary of State
Business Regulation & Enforcement

CERTIFICATE OF SERVICE

I, Tanya G. Webber, do here by certify, that I have this day, mailed via United States Certified Mail, a true and correct copy of the Summary Cease and Desist Order and Notice of Intent to Deny Registration and Impose Administrative Penalty to the following:

Children's Charitable Foundation
PMB 103
4786 Dressker RD NW
Canton, Ohio 44718

This the 18th day of May, 2004.



Tanya G. Webber
Senior Attorney

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